carried on under the licence regarding the geology and mineral resources of the area covered by the licence ;

9. The licensee shall allow any officer authorised by the Central or the State Government to inspect at any time the area covered by the Prospecting licence as also any accounts, plans and records maintained by him ;

10. The licensee shall before the licence is issued to him deposit as security a sum of Rs. 200 in respect of every square kilometer or part thereof for which the licence is granted for the due observance of the terms and conditions of the licence ;

11. The licensee shall engage a qualified Geologist or a Mining engineer to conduct the prospecting methodically ;

12. The licensee shall not give any ore-raising contract during the prospecting stage ;

13. The above mentioned area is subject to verification after actual survey ; and

14. Local and other Cesses as prevalent in Chickmagalur District.

By Order and in the name of the President of India,

.....

*Under Secretary to Government,*
*Commerce and Industries Department.*

2624—S. O. 637

Notification No. CI 112 EMI 77.

*Bangalore, dated 27th February 1978.*

In pursuance of sub-section (1) of Section 5 of the Mines and Minerals (Regulation and Development) Act, 1957, the Government of Karnataka hereby sanctions a Mining Lease in favour of Shri M. A. K. Bagmar for a period of 20 (twenty) years for China clay over an area of 8.96 hectares of land in Kauthana Village, Bidar Taluk, Bidar District, as per sketch furnished by the Director of Mines and Geology, Bangalore.

The grant of the above Mining Lease is subject to the terms and conditions noted below.

**Terms and Conditions**

(a) Mining Lease should be in respect of only China clay only. If other Minerals are found in association with China clay they should be brought to the notice of Government and if the lessee desires to mine these minerals alongwith China clay he should do so only after the consent of government is obtained in writing ;

(b) Royalty at the rates prescribed in the Second Schedule to the Mine and Minerals (Regulation and Development) Act, 1957 or the dead rent at the following rate in respect of each mineral per hectare per annum, whichever is greater, shall be charged provided that dead rent shall not be payable for the first year of the lease.

| | | |
|---|---|---|
| 1st year of the lease | ... | Nil |
| 2nd to 5th year of the lease | ... | Rs. 12-50 |
| 6th to 10th year of the lease | ... | Rs. 25-00 |
| 11th year and onwards of the lease | ... | Rs. 37-50 |

(c) Surface rent at the rate of Rs. 2-50 per hectare per annum on the actual area used by the lessee for mining purposes shall be charged.

(d) If beryl or any other "substance prescribed" under Section 3 of the Atomic Energy Act No. XXIX of 1948 is found to occur in the property under the lease, the lessee shall make available such minerals to the Government of India.

(e) The lease shall be subject to the provisions of Rules in Chapter IV of the Mineral Concession Rules, 1960.

(f) The lease shall also be subject to the rules issued under Section 18 of the Mines and Minerals (Regulation and Development) Act, 1957.

(g) The lessee shall pay to the Director of Mines and Geology in Karnataka, Bangalore, necessary security deposit for due observance of the terms and conditions of the lease in accordance with Rules 32 of Lease is issued to him.

(h) The lessee shall submit confidentially from time to time or when required, progress reports to the Director of Mines and Geology along with analysis and representative samples of the ores collected during the mining operations.

(i) The lessee shall be governed by all conditions that may be incorporated in the lease deed to be executed;

(j) The lessee shall abide by the Rules contained in the Karnataka State Forest Manual, if the leased area covers any forest land.

(k) The total area held by the lessee under Mining leases including the present shall not exceed 25.09 Sq. Kilometers;

(l) Government shall have the right of purchasing the ore at current market rates;

(m) The lease would be determined if the lessee fails to commence effective mining operations within one year from the date of execution of lease deed.

(n) The area mentioned above is subject to verification after actual survey;

(o) Local and other cesses as prevalent in Bidar District.

By Order and in the name of the President of India,

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*Under Secretary to Government,*
*Commerce and Industries Department.*

2826—S. O. 638